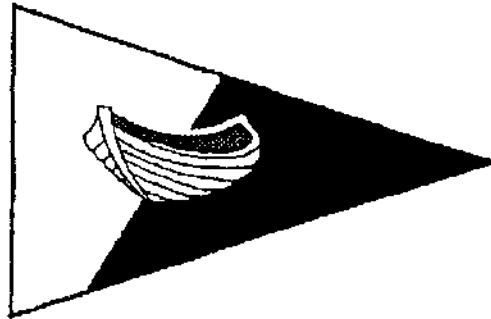


**GIG HARBOR
CITY COUNCIL MEETING**



JUNE 27, 1994

7:00 P.M., CITY HALL COUNCIL CHAMBERS

**AGENDA FOR GIG HARBOR CITY COUNCIL MEETING
JUNE 27, 1994**

PUBLIC COMMENT/DISCUSSION:

PUBLIC HEARING:

ULID #3 Final Assessment Roll.

CALL TO ORDER:

APPROVAL OF MINUTES:

CORRESPONDENCE:

Washington Finance Officers Association - Distinguished Budget Award.

OLD BUSINESS:

1. Second Reading - Sewer Connection Fee Ordinance.
2. Second Reading - Ordinance to Set Salary Range for Public Works Assistant.

NEW BUSINESS:

1. Presentation of Comprehensive Transportation Plan Alternatives.
2. First Reading - ULID #3 Final Assessment Roll Ordinance.
3. First Reading - 1994 Water and Sewer Revenue and Refunding Bonds.
4. First Reading - Procedure for Adoption of Ordinances.
5. Department of Corrections Water Service Request.
6. Appointment to Planning Commission.
7. Selection of Harborline Alternative.

STAFF REPORTS:

1. Police Department - Stats.
2. Finance Department - Refund from the Department of Revenue.

MAYOR'S REPORT:

COUNCIL COMMENTS:

ANNOUNCEMENT OF OTHER MEETINGS:

APPROVAL OF BILLS:

EXECUTIVE SESSION: None scheduled.

ADJOURN:



City of Gig Harbor. The "Maritime City."

3105 JUDSON STREET • P.O. BOX 145
GIG HARBOR, WASHINGTON 98335
(206) 851-8136

TO: MAYOR WILBERT AND CITY COUNCIL
FROM: BEN YAZICI, DIRECTOR OF PUBLIC WORKS
SUBJECT: ULID # 3, FINAL ASSESSMENT ROLL
DATE: JUNE 21, 1994

INTRODUCTION

The City Council passed an ordinance in January 1991 to implement the sewer construction project from SR-16 Burnham Drive Interchange to the City of Gig Harbor Waste Water Treatment Plant. The project, called ULID #3, is completed. The purpose of this memorandum is to review the Final Assessment Roll and to receive your approval for the final assessment roll for this project.

BACKGROUND/ISSUES

The City Council passed Ordinance # 617 in January 1992, ordering the sanitary sewer improvements called ULID # 3. The improvements constituted building a pump station at the Woodhill area, pumping sanitary sewerage from the pump station to the east side of SR-16 via a pressure sewer line. This pressure sewer line would convert to a gravity sewer line on Burnham Drive at the approximate location where Tacoma's Cushman power lines cross Burnham Drive. The gravity sewer conveyed the sewerage from this point to Lift Station #3 on Harborview Drive where the 76 Gas Station is located. The sewerage would then be pumped to the treatment plant. Upgrading the existing 8" and 10" gravity sewer lines to a 16" gravity sewer line between 96th Street N.W. and the treatment plant, along with upgrading lift station # 3, was also part of the project.

All the improvements stated above are completed with the exception of upgrading Lift Station # 3. This part of the project could not be completed due to contaminated soil conditions encountered during the excavation for the wet well. However, the larger diameter pressure lines from lift station #3 site to the treatment plant was completed, allowing the City to pump 3.2 MGD flow as needed. The project was a lump sum contract. The contractor was asked to submit a schedule of values after the contract was awarded. The schedule of values showed the value of the Lift Station #3 wet well construction as \$24,831. This amount will be held by the City for the future construction of this wet well.

We have now completed the project for \$1,534,443.00. This amount is \$115,672 less than the original project cost stated within Ordinance #617. The final contract completion number is also \$93,480 less than the Preliminary Assessment Roll. The primary reason the project has been completed for less than the original budget figure is that we received an excellent bid, which was substantially lower than the Engineer's Estimate, from the low bidder, Active Construction.

The Preliminary Assessment Roll for this project was developed based upon a cost sharing formula that was developed by the property owners. The total estimated project cost was broken down to

three segments and each segment cost was estimated. Depending upon where the participant joins the ULID # 3 line, the participant's assessment was calculated according to the amount of sanitary sewerage flow each participant said they would generate.

The following Table shows the name of each participant, their preliminary assessment roll figure and the final assessment roll figure.

PARTICIPANT	PRELIM. ASSESS.	FINAL ASSESS. ROLL
Peninsula School District	\$267,394	\$263,358
Pope Resources	224,179	282,840
Thompson Properties	462,314	391,126
Tucci and Sons	391,426	331,153
Active Construction	36,985	31,290
Wynwood Center	15,410	13,038
South Purdy Associates	30,821	26,075
Canterwood (Lorigan)	122,342	195,563
Department of Nat. Resource	<u>77,052</u>	<u>0</u>
TOTAL	\$1,627,923	\$1,534,443

Note:

The Department of Natural Resources was taken out of the project per their request. Please see the attached letters.

With the exception of two participants, every participant's final assessment is less than what they were told that they would be paying for this project. Those two participants are Canterwood and Pope Resources. Canterwood initially was planning to connect to the ULID# 3 line at the beginning of the gravity sewer on Burnham Drive, the beginning of Segment 2. Consequently, Canterwood was not going to participate in any cost of upstream improvements between the Woodhill pump station and the beginning of the gravity sewer on Burnham Drive, Segment 1. Canterwood later changed its intention to connect to the ULID # 3 line at the beginning of the system at the Woodhill pump station. We made the necessary adjustments to the assessment roll to show that Canterwood is also participating in the Segment 1 cost. Consequently, Canterwood's final assessment figure has increased from the preliminary assessment roll figure.

Pope Resources is joining the project at two locations: Segment 1 with 24,000 gallons and Segment 3 with 272,000 gallons per day flow. The Segment 1 participation is approximately \$9,000 less than the preliminary Assessment Roll figure of \$74,000. However, their Segment 3 participation is approximately \$68,000 higher than the Preliminary Assessment Roll figure. Therefore, Pope Resources' final combined assessment increased a total of \$59,000. The primary reason for this increase is that Segment 3 of the project cost was completed for approximately \$175,000 more than the Preliminary Assessment Roll figure, due to fact that this was the portion that we had the most difficulty in building. The depth of the sewer line in some places runs as deep as 30 feet in this area. We encountered unanticipated ground water conditions which increased the cost of construction

significantly.

The other reason for Pope's increase is that most of their flow joined the ULID # 3 line at the most expensive part of the project. Although the combined cost of Segment 1 and Segment 2 is \$337,695 (less than the Preliminary Assessment Roll figure), Pope Resources could not take advantage of this saving, as they have very minimal participation in these segments.

POLICY ISSUES

The Peninsula School District's Final Assessment Roll figure is \$263,358, which is \$4,036 less than the Preliminary Assessment Roll figure. The District feels that their assessment should be even lower. They would like some of the expenditures, as much as \$48,898, that they had incurred before the formation of ULID # 3, to be credited against their assessment.

The documentation that the District provided to us shows that there had been discussion between the District and the City before and after the formation of ULID # 3 for the possibility of receiving credit for these expenses. However, they had not executed a ULID Preformation Expenditure Agreement with the City to legally receive credit for these expenses. We told the District that we cannot unilaterally give them credit for these expenses as there is no Preformation Expenditure Agreement between the City and the District.

The District has indicated that all of the participants already knew that the District would be given credit for these expenditures and the District feels that it will receive written approval from other participants agreeing to increase their participant assessment, thus lowering the District's assessment as much as \$48,898. We reviewed their suggestions with our Bond Attorney, Ms. Cynthia Weed and with the State Auditor. She in turn checked with the Attorney General's office. If all the participants are in agreement with the School District, and if they all sign such a document, then the participants would effectively give the District credit for its expenses without requiring the city to acknowledge or account for such expenses.

It is the Council's authority to make changes to the Final Assessment Roll. If the School District is able to convince other participants to join in the above said adjustment, I recommend that you approve the adjusted Final Assessment Roll which will be presented to you at the Monday night hearing.

FISCAL IMPACT

None. There is no financial impact to the City for you to approve the Final Assessment Roll of ULID # 3. Every cost associated with the completion of this project, including City staff time, is included in the Final Assessment Roll and will be paid by the ULID # 3 participants.

RECOMMENDATION

I recommend a Council motion to approve the attached ULID # 3 Final Assessment Roll by ordinance at its second reading.

ULID #3

FINAL ASSESSMENT ROLL

<i>Participant</i>	<i>Cost</i>
PENINSULA SCHOOL DISTRICT	\$263,358
POPE RESOURCES (1)	220,260
POPE RESOURCES (2)	62,580
BALLINGER (THOMPSON PROP)	391,126
TUCCI AND SONS	331,153
ACTIVE CONSTRUCTION	31,290
WYNWOOD CENTER	13,038
SOUTH PURDY ASSOCIATES	26,075
CANTERWOOD (LORIGON)	195,563
	<hr/>
	\$1,534,443

DATE: JUNE 4, 1994
 PREPARED BY: SEMON

ALLOCATION OF FINAL PROJECT COSTS TO BID SCHEDULES
 ULID NO. 3, CITY OF GIG HARBOR WA.

SITTS AND HILL ENGINEERS, INC
 2901 SO. 40TH STREET
 TACOMA, WA. 98409

FINAL

FILE: CONCOST2

COST ITEM DESCRIPTION	NON ULID BID SCHEDULE A 1,3 Purdy to Woodhill Swr.	NON ULID BID SCHEDULE F Not replacing 302 force mn.	ULID BID SCHEDULE B 1,3 Woodhill to 15" swr. system	ULID BID SCHEDULE C1, 2 15" swr. Burnham to 96th	ULID BID SCHEDULE D1, 2 15" swr 96th to STP	TOTALS (NOTE ONE)
Original bid amount (less Schedules E1,2)	\$496,005.12	(\$15,456.00)	\$415,998.18	\$184,905.75	\$330,066.01	\$1,411,519.06
(\$69,983.00)						\$0.00
Schedule E1 adjustments. (SEE NOTE 2)	\$7,134.53	\$0.00	\$0.00	\$2,612.65	\$57,491.43	\$67,238.61
\$3.59						\$0.00
Schedule E2 adjustments. (SEE NOTE 2)	\$538.40	\$0.00			\$4,845.60	\$5,384.00
\$6.73						\$0.00
Contract change order No. 1 adjustments.	\$20,705.52	\$0.00	\$31,002.29	\$1,500.00	\$78,981.42	\$132,189.23
						\$0.00
Contract change order No. 2 adjustments.	\$5,796.02	\$0.00				\$5,796.02
						\$0.00
Contract change order No. 3 adjustments.	(\$16,712.85)	\$0.00			(\$23,012.95)	(\$39,725.80)
						\$0.00
SUB TOTAL	\$513,466.74	(\$15,456.00)	\$447,000.47	\$189,018.40	\$448,371.51	\$1,582,401.12
(COMPOSITE) WASH. STATE SALES TAX	\$38,883.74	\$0.00	\$34,900.96	\$14,758.20	\$35,008.00	\$123,550.90
TOTALS	\$552,350.48	(\$15,456.00)	\$481,901.43	\$203,776.60	\$483,379.51	\$1,705,952.02
NET NON ULID TOTAL	\$536,894.48					
						TOTAL FINAL COST (ULID ONLY)
						\$1,169,057.53
						TOTAL FINAL COST (NON ULID)
						\$536,894.48
Engineering costs. (ULID ONLY)			\$55,525.17	\$23,479.35	\$55,695.48	\$134,700.00
Administrative and inspection costs (ULID AND NON ULID)	\$17,309.51	\$0.00	\$15,536.53	\$6,569.77	\$15,584.19	\$55,000.00
Construction easements			\$15,826.00			\$15,826.00
Contingency-Legal and Audit. (ULID ONLY)			\$10,305.34	\$4,357.71	\$10,336.95	\$25,000.00
Bond Costs. (ULID ONLY)			\$16,641.06	\$7,036.83	\$16,692.10	\$40,370.00
Bond Attorneys. (ULID ONLY)			\$8,209.23	\$3,471.35	\$8,234.41	\$19,915.00
Interest expense. (ULID ONLY)			\$63,068.68	\$26,669.19	\$63,262.13	\$153,000.00
Interest income. (ULID ONLY)			(\$27,739.91)	(\$11,730.09)	(\$27,825.00)	(\$67,295.00)
Miscellaneous. (ULID ONLY)			\$2,213.59	\$936.04	\$2,220.38	\$5,370.00
GRAND TOTALS	\$569,860.00	(\$15,456.00)	\$641,487.12	\$264,566.75	\$627,580.15	\$2,087,838.02
						TOTAL COST ULID
						\$1,533,634.02
						TOTAL COST NON ULID
						\$554,204.00

NOTE 1. ALTHOUGH NOT SHOWN IN THIS COLUMN, THE TOTAL AMOUNT BID FOR SCHEDULES E-1 AND E-2 IS \$69,983.00.

THIS BRINGS THE TOTAL BID AMOUNT TO \$1,496,958.06.

NOTE 2. PER RECORDS OF ACTIVE CONSTRUCTION, SCHEDULE E1 IS SPREAD: SCHEDULE A = 1988T., SCHED. C = 728T, SCHED. D = 16019.68T.

SCHEDULE E2 IS SPREAD: SCHEDULE A = 80T., SCHEDULE D = 720T.

NOTE 3. ENGINEERING, LEGAL, ADMINISTRATIVE AND OTHER RELATED COSTS ARE ALLOCATED TO THE VARIOUS SCHEDULES PROPORTIONALLY BASED ON THE FINAL CONTRACT AMOUNTS FOR EACH SCHEDULE. COSTS RELATING TO "ULID ONLY" OR "NON ULID" ARE SO NOTED.

ULID#3
ALLOCATION OF FINAL COST

Participant	Flow	Cost	Flow	Cost	Flow	Cost	Total	
	Woodhill to 15" Swr		15" Swr, Burnham to 96		15" Swr, 96th to STP		Project	
PENINSULA SCHOOL DIST.	0.101	128,552	0.101	53,018	0.101	81,788	263,358	17.16%
POPE RESOURCES (1)		0		0	0.272	220,260	220,260	14.35%
POPE RESOURCES (2)	0.024	30,547	0.024	12,598	0.024	19,435	62,580	4.08%
THOMPSON PROPERTIES	0.150	190,919	0.150	78,740	0.150	121,467	391,126	25.49%
TUCCI AND SONS	0.127	161,645	0.127	66,667	0.127	102,842	331,153	21.58%
ACTIVE CONSTRUCTION	0.012	15,274	0.012	6,299	0.012	9,717	31,290	2.04%
WYNWOOD CENTER	0.005	6,364	0.005	2,625	0.005	4,049	13,038	0.85%
SOUTH PURDY ASSOC.	0.010	12,728	0.010	5,249	0.010	8,098	26,075	1.70%
CANTERWOOD (LORIGAN)	0.075	95,459	0.075	39,370	0.075	60,733	195,563	12.74%
FINAL ASSESSMENT ROLL	0.504	641,487	0.504	264,567	0.776	628,389	1,534,443	100.00%

The final number was arrived as follows

From Tom Seamon's spread sheet total project cost i	1,533,634
Dept. of Corrections Contribution (Deduct)	24,022
ULID Cntrib. to future wet well (Addition)	24,831
Total ULID Assessment Roll Number	1,534,443



WASHINGTON STATE DEPARTMENT OF
Natural Resources

BRIAN BOYLE
Commissioner of Public Lands

Real Estate Division
1450 Metropolitan Park Building
1100 Olive Way
Seattle, Washington 98101
Tele: (206) 464-6416
FAX: (206) 464-6528

December 23, 1991

Mr. Ben Yazici, Director of Public Works
City of Gig Harbor
PO Box 145
Gig Harbor, WA 98335

RE: Proposed connection to the City's sewer utility system

Dear Mr. Yazici:

This letter is in reference to the Utility Extension and Capacity Agreements which are being prepared and offered to a group of property owners in the Gig Harbor/Purdy area. Of particular interest to the Department of Natural Resources (DNR), is the 40 acres referred to as the Hogan/Smith Property. The legal description for this parcel is:

NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 36 - Township 22 North -
Range 1 East.

Currently, the underlying owner of this parcel is the DNR. We have entered into an agreement to sell this 40 acres to Mr. Walt Smith. However, consummation of this potential sale remains subject to certain performance standards during the contingency period. The fact that these sewer utility agreements are to be confirmed during this contingency period, means the DNR is still the rightful and responsible property owner.

With respect to the contingency period and the agreement date, the DNR is willing to commit the necessary resources to ensure protection of this parcel's inclusion to the sewer utility service area. Please accept this letter indicating our "good faith" in participation in this project.

If you should have any questions concerning our request, please notify me immediately. Also, please inform me as to the required conditions in completing this agreement process, such as, dates, cost, signatures and so on. I can be reached at 1-464-6416, and

Mr. Ben Yazici
December 23, 1991
Page 2

my fax number is (206) 464-6528. The DNR looks forward to coordinating this project with the City of Gig Harbor.

Sincerely,



Richard K. Scrivner
Planning Manager

cc. Rick Cooper, Division Manager DNR
Walt Smith

RKS:lk

2012CK16



WASHINGTON STATE DEPARTMENT OF
Natural Resources

BRIAN BOYLE
Commissioner of Public Lands

January 10, 1992

Real Estate Division
1450 Metropolitan Park Building
1100 Olive Way
Seattle, Washington 98101
Tele: (206) 464-6416
FAX: (206) 464-6528

Mr. Ben Yazici, Director of Public Works
City of Gig Harbor
PO Box 145
Gig Harbor, WA 98335

Sent by FAX to: 1-206-851-8563

RE: City of Gig Harbor's U.L.I.D. Sewer Project

Dear Ben:

Please accept this letter as our official notification that the Department of Natural Resources will not be participating in the proposed U.L.I.D. sewer project at this time. This decision impacts the once represented Smith/Hogan property, which as you know, has always been under the ownership of this Department. Specifically, the legal description of this property is as follows:

NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 36, Township 22 North, Range 1 East.

We are well aware of the certain benefits that a sewer line project can potentially bring to a parcel, however, there are many other socio-economic aspects to consider when rendering an appropriate real estate decision.

I want to personally thank you for the time and effort you afforded the Department in trying to make this project work for us and the City. Good luck with your endeavors, and I'll look forward to working with you again in the future.

Sincerely,

A handwritten signature in cursive script that reads "Richard K. Scrivner".

Richard K. Scrivner
Planning Manager

RKS:lyk

cc: Rick Cooper - Division Manager, DNR

2001CK06

REGULAR GIG HARBOR CITY COUNCIL MEETING OF JUNE 13, 1994

PRESENT: Councilmembers Platt, Ekberg, Markovich, Picinich and Mayor Wilbert.
Councilmember Stevens Taylor was absent.

PUBLIC HEARING: None scheduled.

PUBLIC COMMENT / DISCUSSION: None.

CALL TO ORDER: 7:05 p.m.

APPROVAL OF MINUTES:

MOTION: Move to approve the minutes of the May 23rd council meeting and the special meeting of June 6th as submitted.
Markovich/Picinich - unanimously approved.

CORRESPONDENCE:

Pierce County Police Chiefs Association. This letter to Pierce County Executive Doug Sutherland voices the Pierce County Police Chiefs Associations wish to keep the Pierce County Jail within and subordinate to the Pierce County Sheriff's Department.

OLD BUSINESS:

1. **Second Reading - Amendment to City Building Code - Enforcement Procedures.** Ray Gilmore presented the second reading of this amendment to the Building Code with changes suggested at the last council meeting. He explained additional changes by legal counsel to the civil and criminal penalty sections clarifying penalties.

MOTION: Move approval of Ordinance 672 adopting revisions to the City of Gig Harbor Uniform Building Code and Zoning Code.
Markovich/Ekberg - unanimously approved.

NEW BUSINESS:

1. **Emergency Ordinance - Model Traffic Ordinance.** Mark Hoppen introduced this ordinance readopting the Model Traffic Ordinance, explaining the need for emergency passage due to the fact the existing ordinance will expire as of July 1, 1994. If allowed to expire, it would leave the local traffic code invalid and unenforceable, and city violations would be heard in District Court. Because the ordinance would not become effective until five days after publication of the passed ordinance, it was necessary to pass the ordinance with one reading to allow it to be effective by the July 1st date. Carol Morris suggested to council a change in the city code to allow for passage of certain ordinances with one reading. Council directed her to draft an ordinance to be brought back at the next council meeting to this effect.

MOTION: Move adoption of Ordinance 673 to readopt the Model Traffic Ordinance in the manner recommended by legal counsel.
Markovich/Picinich - unanimously approved.

2. Stanich Avenue / Shirley Avenue Overlay Project - Contract Award. Ben Yazici presented this bid for the overlay of two city streets. He added that the low bid of \$35,966.11 was approximately \$14,000 less than the budgeted figure, and asked council to award the contract to Associated Sand and Gravel, the low bidder in the project.

MOTION: Move we award the contract for the Stanich Avenue and Shirley Avenue Overlay projects for the budgeted amount of \$35,966.11 to Associated Contract and Gravel.
Picinich/Markovich - unanimously approved.

3. Rejection of Bid for Big Toy. Ben Yazici explained that because the low bidder, Recreation Resources, eliminated the "pilot house" from the design, the project was less versatile. Although they did comply with the specifications, Ben requested council to reject the bids, allowing for him to rewrite the specs to include this portion of the toy. There was also a question of the bid being opened by mistake prior to the official bid opening. Due to these factors, the following motion was made.

MOTION: Move we reject the bids for the Big Toy for the City Park.
Markovich/Ekberg - unanimously approved.

4. Contract Change Orders for ULID #3 - PSD #401 Portion. Ben Yazici explained two change orders to the original contract which will decrease the ULID #3 contract and allow closure of the contract. Because Peninsula School District had not yet been issued a Shoreline Permit, a portion of the sewer pressure line on SR-302 could not be completed resulting in one change order. The contaminated soil conditions on Harborview Drive adjacent to the Union 76 gas station prevented the construction of a wetwell at this site. A second change order allowed the Purdy Pump station to be tested even though the line is not completed. A temporary pump-around system was constructed at the station, to facilitate testing.

MOTION: Move to approve Change Orders #2 and #3 in the amount of \$5,796.02 and \$39,725.80, not including Washington State Sales Tax, and to authorize the Public Works Director to sign the change orders.
Markovich/Platt - unanimously approved.

5. Resolution to Create a Public Works Assistant Position. Mark Hoppen announced that Susan Matthew, the Public Works Office Clerk, had left to work for the new city of Newport Hills. He explained that the position had evolved into an administrative assistant role and recommended approval of the resolution to create a Public Works Assistant position to bring the job description for the position in line with task requisites of the job. He discussed the ordinance setting the salary range.

MOTION: Move approval of Resolution #421 creating a job classification for the Public Works Assistant.
Markovich / Platt - unanimously approved.

6. First Reading - Ordinance to Set Salary Range for Public Works Assistant. This is the first reading of an ordinance setting a new salary range for the Public Works Assistant position.
7. First Reading - Sewer Connection Fee Ordinance. Mark Hoppen introduced the first reading of this Ordinance designed to modify the sewer connection fees and uncomplicate the rate structure and charges. This ordinance will return for a second reading at the next council meeting.
8. Liquor License Renewals - Roundtable Pizza, Puerto Vallarta, and Harvester Restaurants.
No action taken.

STAFF REPORTS:

Ben Yazici shared a letter from the Department of Transportation approving the grant application for the Kimball Drive / Pioneer Way Improvements / Park & Ride Expansion Project in the amount of \$949,850. He added the city's participation in this project is to be \$25,000. Legal counsel was asked to draft an Interlocal Agreement with Pierce County before the next council meeting.

MAYOR'S REPORT:

Mayor Wilbert spoke briefly about the upcoming meetings to research the alternatives to a second Narrows Bridge.

COUNCIL COMMENTS: None.

ANNOUNCEMENT OF OTHER MEETINGS:

Transportation Plans Alternative presentation by KJS Associates - 7:00 p.m., Monday, June 27th at City Hall. The regular meeting of the City Council will follow the presentation at 8:00 p.m.

APPROVAL OF BILLS:

MOTION: To approve Bill Vouchers #12353 through #12458, in the amount of \$194,782.96.
Platt/Ekberg - unanimously approved.

APPROVAL OF PAYROLL:

MOTION: To approve Payroll Warrants #9817 through #9927, in the amount of \$161,448.78.
Platt / Ekberg - unanimously approved.

EXECUTIVE SESSION: None scheduled.

ADJOURN:

MOTION: To adjourn at 8:01 p.m.
Platt / Picinich - unanimously approved.

Cassette recorder utilized.
Tape 352 Side A 019 - end.
Tape 352 Side A 000 - blank.

Mayor

City Administrator



WASHINGTON FINANCE OFFICERS ASSOCIATION

10517 NE 38th Place • Kirkland, Washington 98033-7926 • (206) 827-4334

RECEIVED

JUN 13 1994

CITY OF GIG HARBOR

June 10, 1994

Gretchen Wilbert, Mayor
City of Gig Harbor
PO Box 145
Gig Harbor, WA 98335

Dear Ms Wilbert:

This is to notify you that the City of Gig Harbor's 1994 Budget has earned the Washington Finance Officers Association Distinguished Budget Award. This award is patterned after the Government Finance Officers' Program and is the highest form of recognition in fiscal planning and budgeting within the State of Washington. In order to earn this award, the budget documents are critiqued by at least two reviewers who return a favorable response. I have received favorable responses from the reviewers of your 1994 document. (A summary of the responses will be mailed under separate cover to the official requesting the results.)

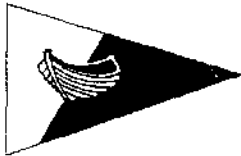
The budget document is judged on meeting program criteria covering policies, operations, financial planning and communications. The receipt of this recognition is evidence of an interest in effective fiscal management programs to the benefit of the residents in Gig Harbor. You and your staff are to be commended for such an interest.

A plaque and certificates will be presented to the City of Gig Harbor at the WFOA annual conference in Vancouver in September. We hope you will continue to participate in the programs of WFOA and GFOA.

Sincerely,

Peggy Morant

Peggy Morant
WFOA Budget Awards Chair
%City of Chehalis
PO Box 871
Chehalis, WA 98532
(206) 748-6664



City of Gig Harbor. The "Maritime City."

3105 JUDSON STREET • P.O. BOX 145
GIG HARBOR, WASHINGTON 98335
(206) 851-8136

TO: MAYOR WILBERT AND CITY COUNCIL MEMBERS
FROM: MARK HOPPEN, CITY ADMINISTRATOR *MMA*
SUBJECT: MODIFICATION OF SEWER CONNECTION FEES
DATE: JUNE 10, 1994

INTRODUCTION/BACKGROUND

Connection fees for various areas within the sewer system have been set based on the historical participation of those areas in the creation of the sewer system.

In addition to the cost of connection, the City is authorized to charge property owners seeking to connect to the City's water or sewer system, a "reasonable connection charge." RCW 35.92.025. Under this statute, the charge is to be determined based upon the City's determination of the property owner's equitable share of the cost of the water or sewer system. An "equitable share" may include interest charges applied from the date of construction of the water or sewer system until the connection, or for a period not to exceed ten years, at a rate commensurate with the rate of interest applicable to the City at the time of construction or major rehabilitation of the water or sewer system, or at the time of installation of the water or sewer lines to which the property owner is seeking to connect, but not to exceed ten percent per year. By law, the aggregate amount of interest cannot exceed the equitable share of the cost of the system allocated to the property owners.

The fee structure attached is a product of historical costs of the system and the City's administrative costs. For instance, ULID #1, which includes most of the existing city limits, pays \$670 on connection per equivalent residential unit (ERU) of sewer. In another case, ULID #2, the "Westside," pays \$1650, which was the same connection price as that paid by any individual outside connection into the original collection system, ULID #1. A sewer connection into ULID #2 pays yet a higher fee, \$2320.

POLICY CONSIDERATIONS

The attached ordinance extends this historical plan to the area which participated in the creation of ULID #3. The ordinance describes Zone A as all properties which participated in the creation of ULID #1. Zone B is all properties which participated in the creation of ULID #2. Zone C is all properties which participated in the creation of ULID #3, as defined by both ULID participation and outside extension contract. ULID#3 was the first city ULID to also require an extension contract as an expression of a participating area's commitment to utilize ULID #3 capacity. Zone D is all area inside the city limits, but outside ULID #1.

In the explanation of Zone C it should be pointed out that while all of Canterwood purchased

flow and financially participated in the ULID to the full extent of that flow, some of Canterwood is not included within the benefit area of the ULID. Thus, it would be inadequate to define Zone C simply as the benefit areas of ULID #3. If Canterwood had entered all its existing area into ULID #3, then existing areas of septic drainfields, which, at most, might someday require a few sewer connections, would be encumbered by liens on title. When this project was in formation, Canterwood and the city sought to avoid this needless complication.

All other areas within the defined Urban Growth Area, the area of potential connection, will pay a common connection fee (analogous to the \$2320 connection fee paid by a sewer connection outside of ULID #2 into ULID#2).

FISCAL CONSIDERATIONS

The City Attorney's Office has informed me that other cities have imposed connection charges based upon a city's anticipated capital outlays for a water or sewer system, as the same are needed to expand the system for a growing customer base. We will be reviewing the possibility of adopting connection fees to consider these future needs in light of the City's sewer and water capital facilities plan, and thereafter determine whether or not the connection fee set in the proposed ordinance for all property not located within each of the described zones should be revised.

RECOMMENDATION

This is the second reading of the ordinance. Staff recommends approval of this ordinance to fix sewer connection fee zones.

**CITY OF GIG HARBOR
ORDINANCE NO. ____**

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON RELATING TO THE MUNICIPAL SEWER SYSTEM: PROVIDING MODIFICATION TO SEWER CONNECTION FEES.

WHEREAS, the construction of various sewer improvements has been accomplished through the use of Utility Local Improvement Districts (ULID); and

WHEREAS, customers located outside these ULID's will utilize and benefit from these systems by being directly intertied to the systems; and

WHEREAS, such customers located outside the ULID's who shall be intertied to the system and thus benefit from such usage shall be responsible for paying an equitable, proportionate share of the cost of the systems through adjusted connection fees;

NOW, THEREFORE, the City Council of the City of Gig Harbor, Washington, **ORDAINS** as follows:

Section 1. Section 13.32.060(A) of the Gig Harbor Municipal Code is hereby amended to read as follows:

~~13.32.060 Hook-up charges~~ ~~Connection fees~~. A. The city shall impose the following ~~hook-up charges~~ ~~Connection fees~~:

- ~~1: Inside the city's sewer utility local improvement district No. 1 (ULID No. 1) five hundred sixty-six dollars (\$566)/equivalent residential unit (ERU):~~
- ~~2: Outside the city's Sewer Utility Local Improvement District No. 1 (ULID No. 1) one thousand four hundred and five dollars/equivalent residential unit (ERU):~~
- ~~3: Outside the city's Sewer Utility Local Improvement District No. 2 (ULID No. 2) and serviced through the ULID No. 2 collection system one thousand nine hundred and eighty-seven dollars (\$1987)/equivalent residential unit (ERU):~~
- ~~4: Inside the city's sewer utility local improvement district No. 1 (ULID No. 1) and having been rezoned and/or approved for a use creating a waste discharge greater than that allowed at the time of the creation of ULID No. 1, the hook-up charge shall be calculated as follows:~~

Sewer Connection Fee Ordinance

Page 2

- a) ~~Identify the zoning designation and/or actual use of the parcel at the time ULID No. 1 was finalized and determine the maximum ERUs that could have been and/or were being generated by the parcel. Charge these ERUs at the rate of \$566/ERU. Add 30% to the allowed lot size for parcels greater than or equal to two acres for right-of-way dedeed to the city when determining the number of units.~~
- b) ~~Identify the ERUs required to support the proposed land use.~~
- c) ~~Subtract the ERUs calculated in a) from b) and multiply the result by \$1405/ERU.~~
- d) ~~The hook-up charge shall be the sum of a) plus c).~~

1. Zone A includes all properties which participated in the city's Sewer Utility Local Improvement District No. 1 (ULID No. 1), as described in Ordinance 169 establishing ULID No. 1. The connection fee for Zone A is \$670 per equivalent residential unit (ERU).
2. Zone B includes all properties which participated in the city's Sewer Utility Local Improvement District No. 2 (ULID No. 2), as described in Ordinance 515 establishing ULID No. 2. The connection fee for Zone B is \$1,650 per equivalent residential unit (ERU).
3. Zone C includes all property participating in the city's Sewer Utility Local Improvement District No. 3 (ULID No. 3), as described in Ordinance 617 establishing ULID No. 3 and additional property within Canterwood Subdivision Divisions 4 through 12 which is included in Canterwood's sewer capacity/utility extension agreement but not specifically included in ULID No. 3. The connection fee for Zone C is \$1,650 per equivalent residential unit (ERU).
4. Zone D includes all property within the city limits which is not included in another zone. The connection fee for Zone D is \$1,650 per equivalent residential unit (ERU).
5. The connection fee for all property not described in the above zones to which sewer service is extended is \$2,320 per equivalent residential unit (ERU).

* * *

Sewer Connection Fee Ordinance
Page 3

Section 4. This ordinance shall be in full force and take effect five (5) days after its publication of an approved summary consisting of the title.

Section 5. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

PASSED by the City Council of the City of Gig Harbor, Washington, and approved by its Mayor at a regular meeting of the council held on this ___th day of ____, 1994.

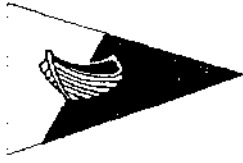
APPROVED:

Gretchen A. Wilbert, Mayor

ATTEST:

Mark E. Hoppen
City Administrator/Clerk

Filed with city clerk: 6/8/94
Passed by city council:
Date published:
Date effective:



City of Gig Harbor. The "Maritime City."

3105 JUDSON STREET • P.O. BOX 145
GIG HARBOR, WASHINGTON 98335
(206) 851-8136

TO: MAYOR WILBERT AND CITY COUNCIL MEMBERS
FROM: MARK HOPPEN, CITY ADMINISTRATOR *MH*
SUBJECT: ORDINANCE SETTING SALARY FOR PUBLIC WORKS ASSISTANT
DATE: JUNE 10, 1994

INTRODUCTION/BACKGROUND

The salary range for the Public Works Assistant is proposed to be \$2210 - \$2762, a range similar to the position of Administrative Assistant. The position of Public Works Assistant was approved by Council at the last Council meeting.

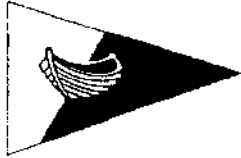
RECOMMENDATION

This is the second reading of this ordinance. The staff recommendation is to approve the range as presented.

City of Gig Harbor
1994 Annual Budget

1994 SALARY SCHEDULE

<u>POSITION</u>	<u>RANGE</u>	
	<u>Minimum</u>	<u>Maximum</u>
City Administrator	\$4,410	\$5,513
Public Works Director	3,949	4,936
Chief of Police	3,736	4,670
Planning Director	3,481	4,351
Finance Director	3,358	4,197
Police Lieutenant	3,209	4,012
Police Sergeant	2,869	3,587
Public Works Supervisor	3,088	3,860
Sewer Plant Supervisor	2,872	3,590
Fire Marshal/Building Official	2,830	3,538
Construction Inspector	2,565	3,206
Associate Planner	2,559	3,199
Police Officer	2,491	3,114
Sewer Plant Operator	2,526	3,158
Equipment Operator	2,500	3,125
Maintenance Worker	2,340	2,925
Engineering Technician	2,281	2,851
Administrative Assistant	2,210	2,762
Court Administrator	2,132	2,665
Laborer	1,982	2,477
Court Clerk	1,933	2,416
Police Clerk	1,854	2,318
Accounting Clerk	1,943	2,429
Utility Clerk	1,943	2,429
Office Clerk	1,685	2,106
Assistant Municipal Court Clerk	1,750	2,187
Administrative Receptionist	1,639	2,049



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GIG HARBOR, WASHINGTON 98335
(206) 851-8136

TO: MAYOR WILBERT AND CITY COUNCIL MEMBERS
FROM: MARK HOPPEN, CITY ADMINISTRATOR *MH*
SUBJECT: FIRST READING - ULID #3 FINAL ASSESSMENT ROLL
DATE: JUNE 23, 1994

INTRODUCTION

Attached is the first reading of the ordinance approving the ULID #3 Assessment Roll. The procedure leading to this ordinance involved the following: 1) setting a time and date for the public hearing that precedes approval of this ordinance, which includes the petitioner's property (Canterwood's Divisions 10, 11, and 12) within ULID #3; 2) notifying property owners via first class mail, at least fifteen days prior to the hearing; 3) publishing notice of the hearing for at least two consecutive weeks, with the final publication occurring at least 15 days prior to the hearing; 4) recording affidavit of mailing of the notice; and 5) certification of mailing of the notice.

BACKGROUND

Approving the final assessment roll confirms assessments and liens against the participant properties in ULID #3 which will be paid in 10 equal yearly installments, including interest on the diminishing principal balance at the rate of 6.5 %. This interest rate will be subject to adjustment at the fixing of the bond rate, and will include .75% of interest charge as overhead for administrative costs, a normative charge for such services. Subsequent to publishing the final assessment roll, a 30 day pre-payment period is available to all participants, and such payments will reduce the principal amount of the assessment.

POLICY CONSIDERATIONS

At the time fixed for hearing objections to the confirmation of the assessment roll, and at the times to which the hearing may be adjourned, the council may correct, revise, raise, lower, change, or modify the roll or any part thereof, or set aside the roll and order the assessment to be made de novo and at the conclusion thereof confirm the roll by ordinance. (RCW 35.44.100) All objections to the confirmation of the assessment roll shall state clearly the grounds of objections, and shall have been received in writing prior to the hearing.

RECOMMENDATION

Staff recommends approval of the attached ordinance at the second reading of the ordinance.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, APPROVING AND CONFIRMING THE FINAL ASSESSMENT ROLL FOR UTILITY LOCAL IMPROVEMENT DISTRICT NO. 3, WHICH HAS BEEN CREATED AND ESTABLISHED FOR THE PURPOSE OF PAYING THE COST OF CERTAIN SEWER SYSTEM IMPROVEMENTS IN THE GIG HARBOR NORTH AREA; AND LEVYING AND ASSESSING THE AMOUNT THEREOF AGAINST THE LOTS, TRACTS, PARCELS OF LAND AND OTHER PROPERTY SHOWN ON SAID ROLL INCLUDING CANTERWOOD DIVISIONS 10, 11, AND 12.

WHEREAS, an assessment roll levying special assessments against the properties located in Utility Local Improvement District No. 3 ("ULID No. 3"), in the City of Gig Harbor, Washington, created under Ordinance 617, was filed with the City Administrator of the City of Gig Harbor as provided by law; and

WHEREAS, notice of the time and place of a hearing on and of making objections to the assessment roll was duly published at and for the time and in the manner provided by law, fixing the time and place of hearing thereon for the 27th day of June, 1994, at the hour of 7:00 p.m. in the Council Chambers of the City Hall, 3105 Judson Street, Gig Harbor, Washington, and further notice thereof was duly mailed by the City Administrator to each property owner on said roll; and

WHEREAS, at the time and place fixed and designated in said notice, the hearing on said assessment roll was duly held and the Council, sitting as a board of equalization, gave due consideration to all written and oral protests received and all persons appearing at said hearing;

WHEREAS, Lorigon Corporation has petitioned for the inclusion of Canterwood Divisions 10, 11, and 12 into Utility Local Improvement District #3 (ULID #3);

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. The Council, sitting as a board of equalization and having made all revisions to the roll it deems necessary, hereby finds and determines that the final assessment roll for ULID No. 3 is just and equitable and that no assessment against property within ULID No. 3 is greater than the special benefits to be derived from the improvements. Accordingly, the final assessment roll, in the total amount of \$1,534,443, is hereby approved and confirmed, and the assessments set forth therein are hereby levied against each lot, tract and parcel of property described in the roll.

Section 2. The City Administrator is hereby directed to place in the hands of the Treasurer of the City for collection the final assessment roll for ULID No. 3. Upon such placement, the

amount of each assessment set forth in the roll, together with any interest or penalty imposed from time to time, shall become a lien against the property so assessed. The lien shall be paramount and superior to any other lien or encumbrance whatsoever, theretofore or thereafter created, except a lien for general taxes.

Section 3. Upon receipt of the final assessment roll for ULID No. 3, the Treasurer of the City is hereby directed to publish notice at the times and in the manner required by RCW 35.49.010, stating that the roll is in his/her hands for collection and that such assessments or any portion thereof may be paid to the City at any time within 30 days from the date of the first publication of such notice, without penalty, interest or costs.

Section 4. The amount of any assessment, or any portion thereof, against property in ULID No. 3 not paid within the 30-day period from the date of the first publication of the Treasurer's notice shall be payable in 10 equal annual installments, together with interest on the diminishing principal balance thereof at a rate of 6.5 % per annum. Interest shall commence on the 30th day following first publication of such notice. The first installment shall become due and payable one year after the expiration of the 30-day prepayment period. Annual installments, including interest and any penalty, shall be paid in full when due, and no partial payments shall be accepted by the Treasurer of the City.

Section 5. Any installment not paid when due shall thereupon become delinquent. All delinquent installments shall be subject to a penalty equal to 12 % per annum of the amount of the installment, including interest, from the date of the delinquency until paid.

Section 6. The lien of any assessment may be discharged at any time after the 30-day prepayment period by payment of the entire principal amount of the assessment remaining unpaid together with interest thereon to the due date of the next installment.

Section 7. The boundaries of ULID No. 3, as set forth in Ordinance 617, are hereby amended to include Canterwood Divisions 10, 11 and 12, which are legally described on Appendix B to this ordinance. The Council hereby finds that including Canterwood Divisions 10, 11 and 12 in ULID No. 3 will not increase the cost of the improvements or change the benefits from the improvements to the remaining properties in ULID No. 3.

Section 8. This ordinance shall be in full force and effect five days after its passage and publication as provided by law.

APPROVED:

MAYOR, GRETCHEN WILBERT

ATTEST/AUTHENTICATED:

CITY ADMINISTRATOR, MARK HOPPEN

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY _____

FILED WITH THE CITY CLERK: June 21, 1994
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:

SUMMARY OF ORDINANCE NO. _____

of the City of Gig Harbor, Washington

On the ____ day of _____, 1994, the City Council of the City of Gig Harbor, passed Ordinance No. _____. A summary of the content of said ordinance, consisting of the title, provides as follows:

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, APPROVING AND CONFIRMING THE FINAL ASSESSMENT ROLL FOR UTILITY LOCAL IMPROVEMENT DISTRICT NO. 3, WHICH HAS BEEN CREATED AND ESTABLISHED FOR THE PURPOSE OF PAYING THE COST OF CERTAIN SEWER SYSTEM IMPROVEMENTS IN THE GIG HARBOR NORTH AREA; AND LEVYING AND ASSESSING THE AMOUNT THEREOF AGAINST THE LOTS, TRACTS, PARCELS OF LAND AND OTHER PROPERTY SHOWN ON SAID ROLL INCLUDING CANTERWOOD DIVISIONS 10, 11, AND 12.

The full text of this Ordinance will be mailed upon request.

DATED this ____ day of _____, 1994.

CITY ADMINISTRATOR, MARK HOPPEN

APPENDIX 'A'

ULID #3

FINAL ASSESSMENT ROLL

<i>Participant</i>	<i>Cost</i>
PENINSULA SCHOOL DISTRICT	\$263,358
POPE RESOURCES (1)	220,260
POPE RESOURCES (2)	62,580
BALLINGER (THOMPSON PROP)	391,126
TUCCI AND SONS	331,153
ACTIVE CONSTRUCTION	31,290
WYNWOOD CENTER	13,038
SOUTH PURDY ASSOCIATES	26,075
CANTERWOOD (LORIGON)	195,563
	<hr/>
	\$1,534,443

APPENDIX 'B'
ULID #3 EXHIBIT
Canterwood
Legal Description

Canterwood Division 10

The Northwest quarter of the Southwest quarter of
Section 30, Township 22 North, Range 2 East, W.M.

and:

The Northeast quarter of the Southwest quarter of
Section 30, Township 22 North, Range 2 East of the W.M.,
situate in Pierce County, State of Washington.

Together with:

Lot 24 of Division 5 Canterwood Subdivision recorded
plat under Pierce County Auditor's No. 8905170206.

Except Lots 2, 22, 42 and 46 Canterwood Division 10
Phase "A", Canterwood Subdivision recorded plat under
Pierce County Auditor's No. 9311090619.

approx. 83 acres - 135 lots total

Canterwood Division 11

Southeast quarter of the Northeast quarter of Section
25, Township 22 North, Range 1 East of the W.M., records
of Pierce County.

Except that portion conveyed to the City of Tacoma, for
transmission right of way, by Deed recorded under Pierce
County Auditor's No. 677886.

Also except that portion conveyed to the State of
Washington by Deed recorded August 17, 1971 under Pierce
County Auditor's No. 2406340.

Also except Lots 25, 26, 27 & 28 Division 11 Canterwood
Subdivision plat recorded under Pierce County Auditor's
No. 9306020522.

approx. 37 acres - 52 lots total

Canterwood Division 12

Southeast quarter of the Northwest quarter of Section
19, Township 22 North, Range 2 East of the W.M., in
Pierce County, Washington.

approx. 40 acres - 50 lots total

To: City Council
Gig Harbor, Washington

The undersigned petitions the City Council of Gig Harbor, Washington to be included in Utility Local Improvement District No. 3 ("ULID No. 3").

We understand that the improvements within ULID No. 3 included the following:

A sewer collection system extending from and including the Wood Hill pump station to the City's sewer treatment plant including the construction of force mains and sewer gravity lines and upgrade of existing sewer lines on Burnham Drive.

The Canterwood Blvd. improvements to connect Canterwood Subdivision to the ULID #3 is a separate project not included herein.

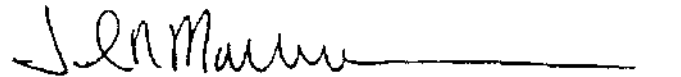
The territorial extent of the improvements is as follows:

The extent is as set forth in the the ULID #3 documents.

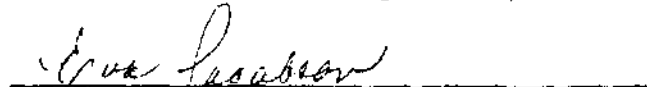
The assessment to be levied against said parcel(s) is as follows:

The total assessment for all of Canterwood is \$230,000.

The undersigned is the owner of the property described on the attached Exhibit which property we are requesting be included in ULID No 3. The property is not currently designated as farmland or open space on the records of the Pierce County Assessor.



John R. Morrison
Vice President Lorigon Corp



Eva Jacobson
Assistant Secretary Lorigon Corp.

[If this request is coming from a corporation, then the corporation should include a copy of its corporate resolutions, authorizing the petitioner to make this request]



City of Gig Harbor. The "Maritime City."

3105 JUDSON STREET • P.O. BOX 145
GIG HARBOR, WASHINGTON 98335
(206) 851-8136

TO: MAYOR WILBERT AND CITY COUNCIL MEMBERS
FROM: TOM ENLOW, FINANCE DIRECTOR *Tom*
DATE: JUNE 21, 1994
SUBJECT: WATER & SEWER REVENUE AND REFUNDING BONDS ORDINANCE

INTRODUCTION/BACKGROUND

This ordinance authorizes the sale of Water and Sewer Revenue Bonds and utilization of the ULID No. 3 cash balance to redeem the \$1,800,000 ULID No. 3 Bond Anticipation Notes issued August 1, 1992 and maturing August 1, 1994, fund a portion of the Reserve Account, and pay costs of issuance.

The ordinance also authorizes the sale of \$1,600,000 Water and Sewer Revenue Bonds to refund the callable portion of the 1989 Water and Sewer Revenue Bonds. These bonds were issued in connection with ULID No. 2 and also provided \$395,000 for water system improvements.

(A complete copy of the 56 page ordinance is available in your mailboxes or by request.)

FISCAL CONSIDERATIONS

The maturities of the ULID No. 3 portion of the bonds match the collection of assessment installments from the ULID No. 3 participants. The assessment collections are intended to provide the full amount of principal and interest payments and incidental costs of this portion of the bonds. However, the Net Revenues of the utility, as defined in the ordinance, will also be used for scheduled bond payments if the assessment collections are not sufficient.

The interest rate on the remaining callable 1989 Water and Sewer Revenue Bonds ranges from 7.5% to 8.2%. The estimated interest rate on the proposed bonds ranges from 4.1% to 6.1%. The estimated savings from the refunding is \$150,912. The net present value of the estimated savings is \$111,724. Final savings and interest rates will be locked on bond marketing, tentatively scheduled for July 7. Additionally, combining the two bond issues provides some savings in bond issuance costs (although most costs are based on the principal amount of the issue), and considerable savings in staff time. Maturities of the proposed bonds are similar to the original bonds' maturities, so that ULID No. 2 assessment collections will still coincide with bond payments.

The estimated savings from the refunding is based on current market conditions for similar bond sales. The actual interest rate will depend on market conditions at the time of sale and on market perceptions of this bond issue. If the savings deviate from the estimate so much that the refunding is no longer desirable, we will simply drop the refunding portion of the bond issue.

RECOMMENDATION

Staff recommends approval of the ordinance at its second reading on July 11, 1994.

CITY OF GIG HARBOR

WATER AND SEWER REVENUE AND REFUNDING BONDS, 1994

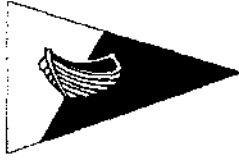
ORDINANCE NO. _____

AN ORDINANCE of the City Council of the City of Gig Harbor, Washington adopting a plan of refunding certain maturities of outstanding water and sewer revenue bonds of the City; authorizing the issuance of up to \$_____ principal amount of water and sewer revenue and refunding bonds for the purpose of refunding said outstanding bonds and providing permanent financing for the improvements within Utility Local Improvement District No. 3; fixing the date, form, terms, maturities and covenants of said revenue and refunding bonds to be issued; providing the terms and conditions under which future parity bonds shall be issued; providing for the acquisition and safekeeping of government obligations to accomplish such refunding; authorizing an escrow deposit agreement; authorizing a preliminary official statement; and accepting the offer of Dain Bosworth Incorporated to purchase said revenue and refunding bonds.

PASSED ON: July 11, 1994

Prepared by:

PRESTON GATES & ELLIS
Seattle, Washington



City of Gig Harbor. The "Maritime City."

3105 JUDSON STREET • P.O. BOX 145
GIG HARBOR, WASHINGTON 98335
(206) 851-8136

TO: MAYOR WILBERT AND CITY COUNCIL MEMBERS
FROM: MARK HOPPEN, CITY ADMINISTRATOR *MH*
SUBJECT: REVISION OF PROCEDURE FOR ADOPTION OF ORDINANCES
DATE: JUNE 23, 1994

INTRODUCTION/BACKGROUND

Previously, Council asked for Carol Morris to produce an ordinance which would enable Council to pass an ordinance with one reading. The attached ordinance makes this provision dependent on the affirmative vote of a majority of the Council plus one extra vote. In other words, given five council members, it would take the affirmative vote of four council members to pass an ordinance on its first reading.

POLICY CONSIDERATIONS

The reason for such an ordinance is that situations arise for both procedural and financial reasons which require expeditious action by the Council for the safety, health, and welfare of the City of Gig Harbor. This ordinance is intended for use in such situations with the understanding that most situations are better served by two readings of proposed ordinances.

RECOMMENDATION

This is the first reading of this ordinance.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO THE PROCEDURE FOR ADOPTION OF ORDINANCES, AMENDING SECTIONS 1.08.010 AND 1.08.020 OF THE GIG HARBOR MUNICIPAL CODE.

WHEREAS, Gig Harbor Municipal Code ("GHMC") Section 1.08.010 precludes the City Council from adopting an ordinance on the same day as its introduction; and in addition to the above, GHMC Section 1.08.010 and 1.08.020 only allow the introduction, adoption or amendment of a proposed ordinance during a regular Council meeting;

WHEREAS, none of the above prohibitions on the procedures for ordinance adoption are required by state law;

WHEREAS, the City Council recognizes that there may be situations where the expeditious function of local government depends upon the Council's immediate action on a proposed ordinance; now, therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Section 1.08.010 of the Gig Harbor Municipal Code is hereby amended to read as follows:

1.08.010 Introduction. ~~No action shall be taken to adopt an ordinance on the day of its introduction.~~ A proposed ordinance shall may be introduced only at any regular or special meeting of the council. "Introduction" is defined as being a reading of the proposed ordinance or a general description of the purpose and contents of the proposed ordinance.

Section 2. Section 1.08.020 of the Gig Harbor Municipal Code is hereby amended to read as follows:

1.08.020 Adoption.

A. A proposed ordinance:

1. shall not be adopted on the date of its introduction except as provided below;

2. shall only be adopted at a regular meeting except as provided below; and
3. should be reintroduced if not adopted at or prior to the third regular meeting after the introductory meeting. Failure to reintroduce the proposed ordinance shall not affect the validity of any ordinance passed by the City Council.

B. Notwithstanding the foregoing, the City Council may take action on a proposed ordinance on its day of introduction, or at a special meeting, upon the affirmative vote of a majority plus one of the whole membership of the Council.

~~C. A proposed ordinance shall not be adopted at a regular meeting of the council during or before the third regular meeting of the council after the meeting at which the proposed ordinance was introduced. If adoption does not occur during or before the third regular meeting of the council after introduction of the proposed ordinance, the proposed ordinance should not be adopted unless and until it has been reintroduced and all provisions of this chapter have been satisfied. A proposed ordinance may be amended at any regular or special meeting of the council, including the introductory meeting; provided, however, that amendments shall not be considered unless the proposed ordinance appears on the official agenda of the meeting at which amendments are proposed.~~

Section 3. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 4. Effective Date. This ordinance shall take effect and be in full force five (5) days after publication of an approved summary consisting of the title.

APPROVED:

MAYOR, GRETCHEN WILBERT

ATTEST/AUTHENTICATED:

CITY ADMINISTRATOR, MARK HOPPEN

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY _____

FILED WITH THE CITY CLERK: June 21, 1994
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:

SUMMARY OF ORDINANCE NO. _____

of the City of Gig Harbor, Washington

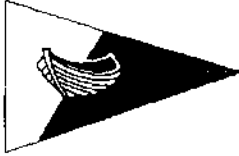
On the ____ day of _____, 1994, the City Council of the City of Gig Harbor, passed Ordinance No. _____. A summary of the content of said ordinance, consisting of the title, provides as follows:

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO THE PROCEDURE FOR ADOPTION OF ORDINANCES, AMENDING SECTIONS 1.08.010 AND 1.08.020 OF THE GIG HARBOR MUNICIPAL CODE.

The full text of this Ordinance will be mailed upon request.

DATED this ____ day of _____, 1994.

CITY ADMINISTRATOR, MARK HOPPEN



City of Gig Harbor. The "Maritime City."

3105 JUDSON STREET • P.O. BOX 145
GIG HARBOR, WASHINGTON 98335
(206) 851-8136

TO: MAYOR WILBERT AND CITY COUNCIL
FROM: BEN YAZICI, DIRECTOR OF PUBLIC WORKS *Ben Yazici*
SUBJECT: DEPARTMENT OF CORRECTIONS WATER REQUEST
DATE: JUNE 21, 1994

INTRODUCTION

We received the attached letter from the Department of Corrections requesting City of Gig Harbor water service to their facilities in Gig Harbor. They will extend the existing water line on Skansie, in front of the City Shop with a 16" main transmission line through 54th Street N.W. This extension is consistent with the City of Gig Harbor Comprehensive Water Plan. The Department of Corrections will pay for the design and construction of the line and appropriate water connection fees. The purpose of this letter is to request your approval of this water request.

BACKGROUND/ISSUES

The Department of Corrections currently owns two water wells to provide water service to their facility. With changing requirements for water system purveyors, they want to get out of the water business. Since their facility is within our Urban Planning area, they approached us for the possibility of providing water service.

We have sufficient supply to provide water service to this facility. They will pay for the total cost of extending the water service from the City Shop, where our existing 12" line is located, to the Correction Center through 54th Street N.W. In addition, the Correction Center will pay appropriate Connection Fees for 2" and 8" combination meters.

The Corrections Center also provides water service to three other parcels in the area; Elks, Pape & Son, Construction and Mr. & Mrs. Fox. If we provide water to the Correction Center, we also would have to provide water service to these properties.

POLICY ISSUES

The extension of water service to the Department of Correction is consistent with the City of Gig Harbor Comprehensive Water Plan. The plan calls for the extension of the existing transmission line in front of the City Shop, to the Correction Center area with a 16" main line.

The Department of Corrections already receives sanitary sewer service to this facility from the City. Extending the water service would help us with the billing process for the sewer utility. The gravity meter located on their gravity sewer line never worked in spite of replacing it twice during the last three years. It has been difficult to complete an accurate billing for the facility when there was no accurate meter reading available. We

were billing them based on the number of inmates. If we provide water, we will have accurate water usage information and complete their sewer bills based upon the water usage as we do for the city customers.

Providing water service to the Correction Center will not jeopardize our water system supply capability. We provide water service to our customers through three active ground water wells. The combined production rate of these wells is approximately 1,400 gallons per minute. This production rate is sufficient to provide water service to our entire customer base and the Correction Center. In addition, we just recently received Water Right approval for Well # 6. The production rate of this well is approximately 1,100 gallons per minute.

FISCAL IMPACT

Providing water service to the Correction Center has a positive fiscal impact on the City's water utility. The following connection fees will be collected from them.

1) Department of Corrections	1 @2" & 8" Combination Meter	\$ 6,165
2) Existing three customers	3 @ 3/4" Meters	\$ 4,380
Total		\$10,545
Outside City Limit Customer Surcharge (50%)		\$ 5,272.50
GRAND TOTAL		\$15,817.50

In addition to the initial connection fees, I am anticipating an annual \$20,000 revenue from these new customers.

RECOMMENDATION

I recommend a council motion to approve the Department of Correction's water request and authorize the Mayor to sign a Standard Water Utility Extension Agreement with Department of Corrections.



Gray & Osborne, Inc.
CONSULTING ENGINEERS

June 16, 1994

Mr. Ben Yazici, P.E.
City of Gig Harbor
P.O. Box 145
Gig Harbor, Washington 98335

**SUBJECT: WASHINGTON STATE DEPARTMENT OF CORRECTIONS,
WASHINGTON; G&O #94519.26**

Dear Mr. Yazici:

Gray & Osborne is currently under contract with the Washington State Department of Corrections to perform various engineering services for DOC institutions on a statewide basis. At the Washington Corrections Center for Women at Purdy, we are performing an evaluation of the potable water system.

Our preliminary findings are that the Purdy institution should abandon the existing water supply system (with the exception of the new storage and pumping facility) and connect to the City of Gig Harbor. The DOC has accepted our recommendation and authorized us to contact the City in order to begin the process needed to secure a water service for this facility.

The Department Of Health (DOH) has indicated WCCW is within the City's service area, and the Department is in support of this project. We have been asked by DOC to provide them with plans and specifications for this project before month's end. We are requesting the City take the action necessary to provide City water service to the facility including authorization by council in order to obtain County franchise permits. Plans and specifications are being prepared utilizing City Standards, and we will forward copies of these documents to you for your comments upon authorization by DOC to do so.

Please let me know if there is anything I can do to expedite this process.



June 16, 1994
Page 2

We look forward to working with you on this important public works project.

Very truly yours,

GRAY & OSBORNE, INC.

Tom Peters, P.E.

TP/ldl

cc: Mr. Brian Hauger, Dept. of Corrections
Ms. Barbara Proft, Dept. of Corrections

APPROVED: DEPARTMENT OF CORRECTIONS
TEAM PROGRAM



STATE OF WASHINGTON

DEPARTMENT OF CORRECTIONSP.O. Box 41112 • Olympia, Washington 98504-1112 • TEL. (206) 586-6131
FAX Number (206) 586-8723 SCAN 321-8723

June 21, 1994

Mr. Ben Yazichi, P.E., Public Works Director
City of Gig Harbor
P.O. Box 145
Gig Harbor, Washington 98335

Dear Mr. Yazichi & Honorable Council Members:

RE: Washington Corrections Center For Women
Interest in City Water Hook-Up

As we discussed earlier this year, the Washington State Department of Corrections is interested in pursuing the use of city water at our facility. With the changing requirements for water system purveyors, we feel that you are better able to serve our needs. With this in mind, we have been working with Gray and Osborne, a consulting engineering firm, to help establish a proposed 16" water line from the city's existing "shops" to our facility.

We seek your support in the pursuit of this project realizing that we are within your urban growth boundaries but are not currently a part of the city limits. We would like this project to be completed by April 30, 1995 with funds available from this biennium's appropriations.

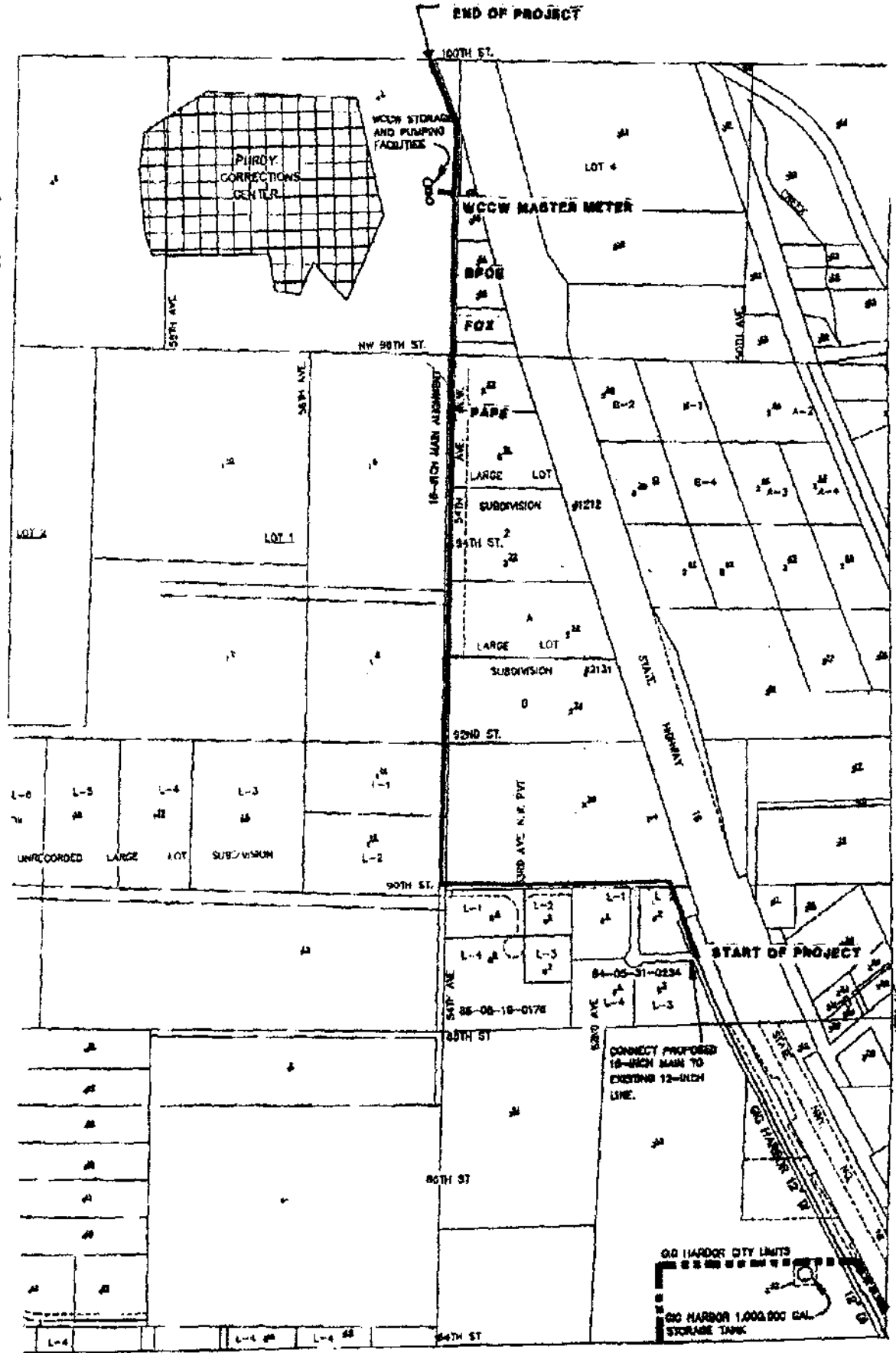
Should you need additional information or if you have any concerns, please feel free to phone me at (206) 753-3976 or SCAN 234-3976.

Sincerely,

Barbara A. Proft, Project Manager
TEAM Program, Design and Construction

BAP

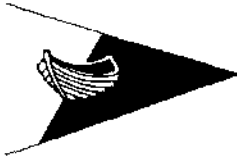
cc: Alice Payne, Superintendent
Gary Fleming, Associate Superintendent
John M. Adsit, Assistant Director
Bill Phillips, Chief of Design and Construction
Brian Hauger, Environmental Engineer



SCALE



FIGURE 3-1
INTERCONNECTION ALIGNMENT



City of Gig Harbor. The "Maritime City."

3105 JUDSON STREET • P.O. BOX 145
GIG HARBOR, WASHINGTON 98335
(206) 851-8136

TO: COUNCILMEMBERS
FROM: GRETCHEN WILBERT, MAYOR *GW*
DATE: JUNE 27, 1994
SUBJECT: APPOINTMENT TO GIG HARBOR PLANNING COMMISSION

Paul Kadzik is one of Gig Harbor's citizens who has stepped forward to accept the volunteer position appointment as a member of the Gig Harbor Planning Commission.

Paul and his family have lived at 3518 Harborview Drive for a number of years. They purchased an historical home and remodeled it with integrity. That experience is what Dr. Kadzik will bring to the planning commission as the community seeks to retain the historical features we all enjoy.

I respectfully request council approve the appointment of Paul Kadzik to the Gig Harbor Planning Commission.



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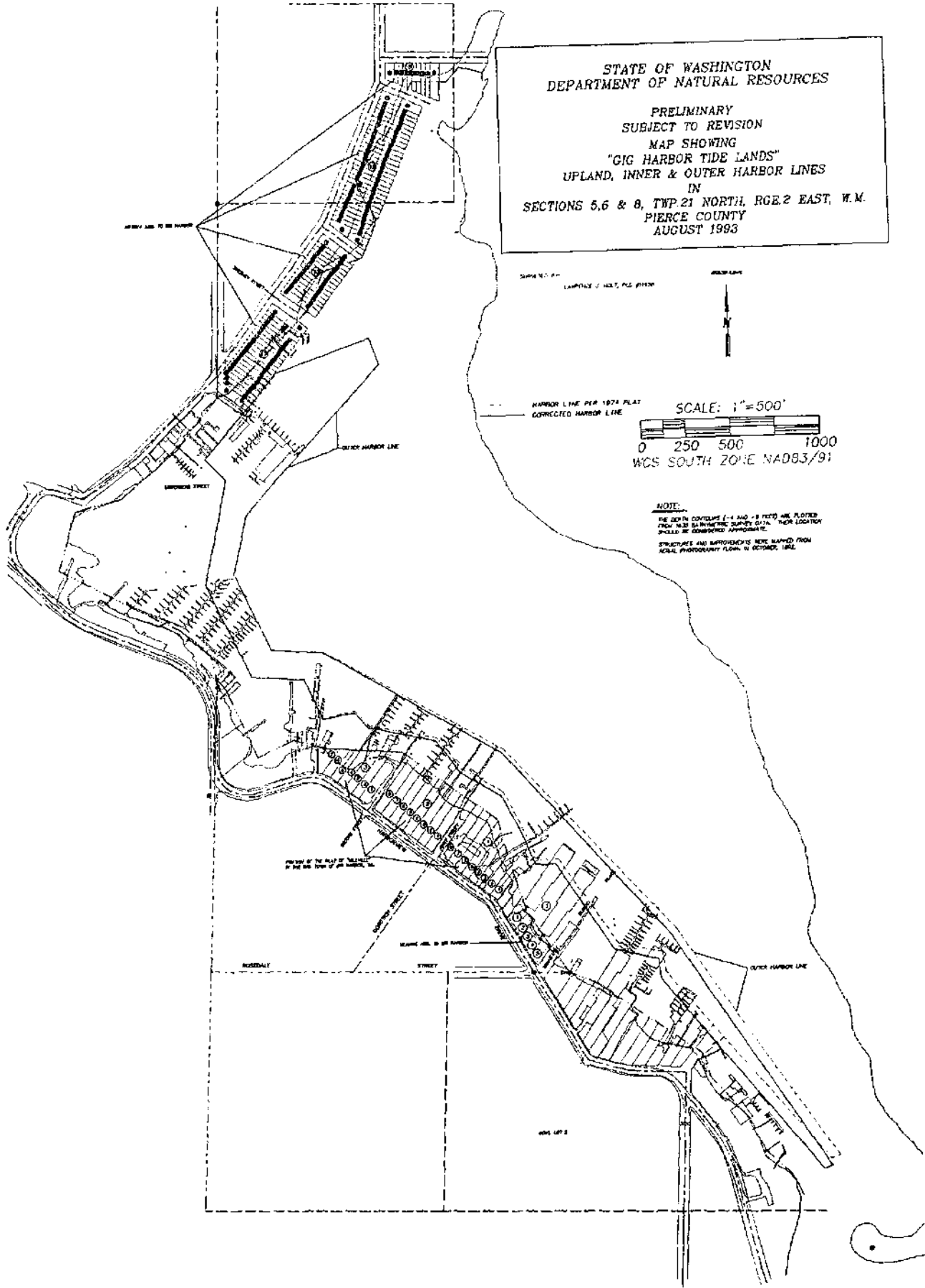
TO: MAYOR WILBERT AND CITY COUNCIL MEMBERS
FROM: MARK HOPPEN, CITY ADMINISTRATOR *MH*
SUBJECT: SELECTION OF HARBORLINE ALTERNATIVE
DATE: JUNE 23, 1994

INTRODUCTION/BACKGROUND

As part of the harborline relocation process of which you are aware, DNR has asked that Council recommend a city point of view on the harborline design. This point of view will only be one of many points of view expressed during the harborline relocation process. DNR has no commitment to comply with the wishes of the City Council, but DNR does wish to know what the Council believes to be the best harborline for the jurisdiction.

POLICY CONSIDERATIONS

The original harborline was established in the hope that docks would not be allowed to extend beyond the inner harborline. Shortly after harborline establishment, however, DNR began to lease areas between the inner and outer harborline. Now, most docks extend short of the outer harborline which was believed to be the dotted line on the attached map. Due to survey analysis, DNR has determined that the actual harborline would be shoreward of the line long-assumed to represent the outer harborline. As seen on the attached map, this line would conflict with several existing harbor structures.



STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

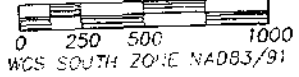
PRELIMINARY
SUBJECT TO REVISION
MAP SHOWING
"GIG HARBOR TIDE LANDS"
UPLAND, INNER & OUTER HARBOR LINES
IN
SECTIONS 5, 6 & 8, TWP. 21 NORTH, RGE. 2 EAST, W.M.
PIERCE COUNTY
AUGUST 1993

UNPLANNED AREA
LAMPHIRE'S 1924 PLAT, PLS. 914208



HARBOR LINE PER 1974 PLAT
CORRECTED HARBOR LINE

SCALE: 1"=500'



WGS SOUTH ZONE NAD83/91

NOTE:

THE DATA COORDINATES (-4 AND -8 FEET) ARE PLOTTED
FROM THE 84 METRIC SUPPLY OF 72". THEIR LOCATION
SHOULD BE CONSIDERED APPROXIMATE.
STRUCTURES AND IMPROVEMENTS WERE MAPPED FROM
AERIAL PHOTOGRAPHY FROM 31 OCTOBER 1982.



DENNIS RICHARDS
Chief of Police

City of Gig Harbor Police Dept.
3105 JUDSON STREET • P.O. BOX 145
GIG HARBOR, WASHINGTON 98335
(206) 851-2236

GIG HARBOR POLICE DEPARTMENT

MONTHLY ACTIVITY REPORT

MAY 1994

	MAY 1994	YTD 1994	YTD 1993	%chg to 1993
CALLS FOR SERVICE	<u>256</u>	<u>1285</u>	<u>1212</u>	+ <u>6</u>
CRIMINAL TRAFFIC	<u>26</u>	<u>126</u>	<u>139</u>	- <u>9</u>
TRAFFIC INFRACTIONS	<u>74</u>	<u>385</u>	<u>334</u>	+ <u>15</u>
DWI ARRESTS	<u>8</u>	<u>45</u>	<u>24</u>	+ <u>87</u>
FELONY ARRESTS	<u>9</u>	<u>21</u>	<u>22</u>	- <u>4</u>
MISDEMEANOR ARRESTS	<u>13</u>	<u>103</u>	<u>58</u>	+ <u>77</u>
WARRANT ARRESTS	<u>8</u>	<u>42</u>	<u>45</u>	- <u>6</u>
CASE REPORTS	<u>63</u>	<u>333</u>	<u>319</u>	+ <u>4</u>



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(206) 851-8136

TO: MAYOR WILBERT AND CITY COUNCIL

FROM: TOM ENLOW, FINANCE DIRECTOR

DATE: JUNE 21, 1994

SUBJECT: DEPARTMENT OF REVENUE REFUND

In October 1992, we hired the public accounting firm of Benson and McLaughlin to review our utility revenues and state tax returns to determine if there was a potential for a refund.

They prepared an amended return for 1988 which we filed on December 31, 1992, the deadline for amending that year. In September, 1993, we filed amended returns for 1989 through 1992 and the Department of Revenue began examining our requests for refunds and our records. **Finally, on June 14, 1994, we received a refund of \$53,096. Our total fees from Benson and McLaughlin for research and return preparation were \$5,305.50.**

\$44,739 of the refund is attributable to the difference between the tax rates on revenues derived from sewer collection (3.852%) and the tax rates on revenues derived from sewer treatment (1.5% until 7/1/93, 2.13% thereafter).

Keith Oratz from Benson and McLaughlin and Ben Yazici developed the definition of which portions of the system represent treatment and which represent collection. Willie Hendrickson prepared a very impressive AUTOCAD map showing the amount of treatment and collection pipe in the system for each year under review. These analyses indicated that 84% to 94% of sewer revenues should have been taxed at the lower rate.

An additional \$7,998 results from deducting transfers from operating funds to debt service and capital construction funds from taxable revenues. (This deduction was eliminated in July 1993.)

We were charged additional taxes of \$4,945 on various purchases and sales during the audit period on which we should have paid sales or use tax. We corrected our procedures in January 1993 to ensure that these taxes are properly paid.

We also received \$5,304 in interest on the overpayment.

Now that the allocation has been approved, we will amend our 1993 returns and adjust the way we file our monthly returns. **I estimate that we will save \$8,000 to \$10,000 per year in utility taxes, depending on the amount of revenue and the treatment/collection split. Unfortunately, this savings will probably be completely offset by the new tax on connection fee revenues which took effect on July 1, 1993.**